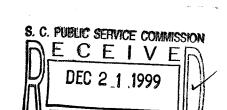


BEFORE

THE PUBLIC SERVICE COMMISSION

OF SOUTH CAROLINA

DOCKET NO. 1999-<u>506</u>-W/S





In Re:
Application of Goat Island Water

& Sewer Company, Inc. for Approval of Water and Sewer Tap Fees.

Goat Island Water & Sewer Company, Inc. (the "Applicant"), pursuant to 26 <u>S.C.</u> Code Ann. Regs. R.103-502.11 and R.103-702.14, and any other applicable rules and regulations of the Public Service Commission of South Carolina, (the "Commission"), hereby applies for approval of water and sewer tap fees. In support of its Application, Applicant would respectfully show unto this Honorable Commission as follows:

- Applicant is a South Carolina corporation whose Articles of Incorporation and Certificate of Existence are on file with the Commission.
- 2. Applicant is also a water and sewer utility authorized to provide services in certain portions of Clarendon County pursuant to Commission Order No. 95-1731, dated December 13, 1995, and filed in Docket No. 95-1075-W/S. A map of Applicant's approved service area is also on file with the Commission.

- 240(B). Applicant further submits that approval of the proposed tap fees does not require a determination of Applicant's entire rate structure or overall rate of return and, thus, that no hearing thereon is required. See S.C. Code Ann. § 58-5-240(G).
- 6. As required by R.103-502.11 and R.103-702.14, Applicant attaches hereto as Exhibits "B" and "C", cost justifications for the water and sewer tap fees, respectively. As shown on these exhibits, the proposed tap fees are less than half of the amounts justified for each fee.
- 7. If the within Application is approved, customers in the area affected by the Application will continue to be charged the service rates currently authorized. Accordingly, no increase in service rates is being sought by the within Application. Rather, Applicant seeks only approval for water and sewer tap fees to be charged prospectively to future customers. Thus, there are no affected customers to be noticed.
- 8. Applicant submits that the public interest will be served by approval of tap fees in that it will afford Applicant the ability to recover from future customers capital expenses which might otherwise have to be borne by existing customers. Additionally, Applicant would submit that the Commission rules cited above, as well as long standing Commission practice, recognize tap fees as a legitimate charge to be levied by water and sewer utilities upon new customers.
- 9. As noted in paragraph 5, *supra*, Applicant believes that this matter can and should be resolved without the necessity of notice or a formal hearing, and Applicant hereby requests that the Commission waive the requirement of a hearing in this matter. See S.C. Code Ann. § 58-5-240(B) and (G).

- WHEREFORE, having fully set forth its Application, Applicant respectfully requests that the Commission:
 - a. Waive the requirement of notice and/or hearing on this Application;
 - b. Approve the tap fees requested by Applicant; and
 - c. Grant Applicant such other and further relief as is just and proper.

Respectfully submitted,

WILLOUGHBY & HOEFER, P.A.

John M.S. Hoefer, Esquire

B. Craig Collins, Esquire

1022 Calhoun Street, Suite 302

Post Office Box 8416

Columbia, SC 29202-8416

803-252-3300

Attorneys for Applicant

Columbia, South Carolina
This day of December, 1999

5-C:\OFFICE\WPWIN\WPDOCS\MISC\GOATISL.APP

SCHEDULE OF RATES AND CHARGES

I. WATER

1: Monthly Charges

- a. Monthly charges for water and sewer services <u>COMBINED</u> are \$60.00 for residential customers (including apartments, condominiums, or mobile homes, per unit) and \$135.00 for commercial customers.
- b. <u>Definition of Commercial Customers.</u> Commercial customers are those not included in the residential category above and include, but are not limited to, hotels, stores, restaurants, offices, industry, etc.

2. Nonrecurring Charges

a. Tap fee (includes a water service connection charge and capacity fee per single-family equivalent, computed by using the Guidelines for Unit Contributory Loadings to Wastewater Treatment Facilities (1972), as amended):

\$450.00

b. The nonrecurring charges listed above are minimum charges and apply even if the equivalency rating is less than one (1). If the equivalency rating is greater than one (1), then the proper charge may be obtained by multiplying the equivalency rating by the appropriate fee. These charges apply and are due at the time new service is applied for and/or initial connection to the water system is requested.

II. SEWER

1. Monthly Charges

- a. Monthly charges for water and sewer services <u>COMBINED</u> are \$60.00 for residential customers (including apartments, condominiums, or mobile homes, per unit) and \$135.00 for commercial customers.
- b. <u>Definition of Commercial Customers.</u> Commercial customers are those not included in the residential category above and include, but are not limited to, hotels, stores, restaurants, offices, industry, etc.

2. **Nonrecurring Charges**

a. Tap Fee (includes a sewer service connection charge and capacity fee per single-family equivalent, computed by using the Guidelines for Unit Contributory Loadings to Wastewater Treatment Facilities (1972), as amended):

\$450.00

b. The nonrecurring charges listed above are minimum charges and apply even if the equivalency rating is less than one (1). If the equivalency rating is greater than one (1), then the proper charge may be obtained by multiplying the equivalency rating by the appropriate fee. These charges apply and are due at the time new service is applied for and/or initial connection to the water system is requested.

5-C:\OFFICE\WPWIN\WPDOCS\MISC\EXHIBIT.A

COST JUSTIFICATION FOR SEWER TAP FEES

Tap Fees - Service Line Portion

8" x 6" Tapping Saddle 45° Bend Piping Wye Branch Cleanout Material Taxes Labor/Equipment Total Service Line Portion of Sewer Tap Cost	\$ 70.00 12.00 22.00 18.00 7.00 250.00 \$ 397.00
Tap Fees - Plant Capacity Portion	
Gross Plant in Service Accumulated Depreciation	\$117,500 ¹ 29,759 ²
Total Net Plant	\$ 87,741
# of Sewer Customers	153
Total Net Plant per Customer	\$ 573.47
Total Cost of Service Line and Plant Capacity Portions	\$ 970.47
Proposed Sewer Tap Fee	\$ 450.00

 $\hbox{5-C:}\ooffice\owpwin\owpdocs\omisc\oexhibit.} \\$

Applicant acquired the water and sewer facilities upon making \$235,000 in improvements required by DHEC. See Order No. 95-1731 at 5. For purposes of this calculation, Applicant allocated 50% of this amount to the sewer plant and 50% to the water plant.

² Accumulated depreciation is as of December 31, 1998. In accordance with footnote 1 above, Applicant allocated 50% of the accumulated depreciation to the sewer plant and 50% to the water plant.

COST JUSTIFICATION FOR WATER TAP FEES

Tap Fees - Service Line Portion

Water Meter Meter Box Service Clamp 1" Corporation Stop 1" Service Stop Service Line Material Tax Labor/Equipment	\$ 62.00 20.00 60.00 15.00 15.00 5.00 8.85 200.00
Total Service Line Portion of Water Tap Cost	\$ 385.85
<u>Tap Fees - Plant Capacity Portion</u>	
Gross Plant in Service Accumulated Depreciation	\$117,500 ¹ 29,759 ²
Total Net Plant	\$ 87,741
# of Water Customers	153
Total Net Plant per Customer	\$ 573.47
Total Cost of a Water Tap Service Line and Plant Capacity Portions	\$ 959.32
Proposed Water Tap Fee	\$ 450.00

5-C:\OFFICE\WPWIN\WPDOCS\MISC\EXHIBIT.C

¹ Applicant acquired the water and sewer facilities upon making \$235,000 in improvements required by DHEC. See Order No. 95-1731 at 5. For purposes of this calculation, Applicant allocated 50% of this amount to the sewer plant and 50% to the water plant.

² Accumulated depreciation is as of December 31, 1998. In accordance with footnote 1 above, Applicant allocated 50% of the accumulated depreciation to the sewer plant and 50% to the water plant.